

# Department of Workforce Services

## 2006 Legislative Briefing

### Proposed Legislation

#### **Public Assistant Amendments, HB 37**

- Simplified reporting has proven to be a valuable support for low-income working families by decreasing what a customer is required to report between recertification periods.
- Implementing simplified reporting will help DWS increase efficiencies and control the costs of rising caseloads.
- Forty-five states have implemented the simplified reporting option contained in the 2002 Farm Bill. Simplified reporting allows Utah to remain competitive in program accuracy with other states.
- The National Conference of State Legislatures publication "Food Stamp Reauthorization: A Guide to Program Changes For State Legislators" references simplified reporting as a program change that provides states "new flexibility to improve the Food Stamp Program for low-income workers."

#### **Unemployment Compensation Social Security Offset, HB 18**

- House Bill 8 of the 2004 General Session provided only fifty percent of an individuals Social Security retirement benefit would be used to offset (reduce) an individuals unemployment insurance benefit.
- The law was scheduled to sunset after three years. The Employment Advisory Council unanimously voted to extend the sunset provision for an additional four years.
- All benefit costs attributable to this provision will continue to be charged to federal Reed Act funds.

#### **Employment Security Act Amendments, SB 21**

The Employment Advisory Council endorses the following changes to the Employment Security Act:

- 35A-4-202: Requested to keep state statute terminology current with the Professional Employer Organization Registration Act.
- 35A-4-204: Requested to include Indian tribes in the definition of employment as required by federal statute.
- 35A-4-205: Requested to make state statute more consistent with the Federal Unemployment Tax Act with respect to exempt services. The proposed change exempts some student nurses, election officials and election workers.
- 35A-4-305(11): Requested to clarify that the UI Division is authorized to file liens directly with the clerk of the district court without utilizing an intermediary to perform this clerical function.
- 35A-4-309(2): Requested to correct state statute with respect to filing an appeal to a division determination of a nonprofit reimbursable employer.

## Appropriation Requests

- **General Assistance Program (\$6M ):** The General Assistance Program provides financial assistance to single or married individuals without children who have physical and/or mental health limitations that prevent them from earning more than \$500 per month. The caseload growth for this program has increased ninety-six percent since 2000, well above DWS projections. Federal funding options utilized in previous years are no longer viable.
- **Food Stamp Program (\$945,200):** The Food Stamp Program provides food to individuals and families while they are seeking training, treatment and/or obtaining job skills to find or keep employment. Food stamp cases continue to increase. Since May 2001 Utah has seen a seventy-one percent increase.
- **Child Care Program (\$2,702,400):** The Payment-to-Parent Child Care Program provides funding for child care to low-income parents who are employed, or are employed and attending school or training, or are participating in the Family Employment Program. Due to anticipated TANF program changes resulting from reauthorization, future demands on the TANF grant may eliminate the ability of these funds to be used to support the Payment-to-Parent Child Care Program.
- **eRep Project (\$4,085,000):** eRep is a comprehensive system for determining eligibility that will be used by DWS, the Department of Health, and the Department of Human Services. eRep will improve the consistency and accuracy of benefit determination while providing customers 24-7 access to web-based services.

## Intent Language

- Funds appropriated to DWS are nonlapsing.
- The \$2,161,600 appropriation from the Unemployment Compensation Trust derived from the March 13, 2002 Reed Act distribution will be used for employment service administration, consistent with Section 903(d) of the Federal Social Security Act.
- The \$5,213,000 total appropriation from the Unemployment Compensation Trust derived from the October 1999 (\$878,518), October 2000 (\$891,084), October 2001 (\$924,887), and March 2002 (\$2,518,511) Reed Act distributions will be used for Unemployment Insurance automation projects, consistent with Section 903(d) of the Federal Social Security Act.